

m/049/009*
m/049/024
E/049/046

Chief Consolidated Mining Company
C/o 1629 Locust Street
Philadelphia PA 19103
215.546.8585

December 24, 2004

Mr. Daron Haddock
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple
Suite 1210
Box 145801
Salt Lake City, UT 84114

RECEIVED
JAN 03 2005
DIV. OF OIL, GAS & MINING

Dear Mr. Haddock,

I am writing to follow up on our previous correspondence (copy enclosed) in regards to Chief's request for a moratorium on further enforcement actions. Chief did receive an extension from the Utah Department of Natural Resources until January 12, 2005. However we have just recently been notified by the Federal Court that the hearing on the proposed Consent Decree has been scheduled for January 24, 2005 in Salt Lake City. Accordingly, Chief requests an additional 90 day moratorium until April 12, 2005.

Please contact me with any further questions.

Sincerely,



Richard R. Schreiber
President

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH

USA,

Plaintiff,

vs.

Chief Consol Mining,

Defendant.

NOTICE

Case No. 2:04-cv-00891

TYPE OF CASE

CIVIL

PLEASE TAKE NOTICE that a proceeding in this case has been set for hearing before Honorable Bruce S. Jenkins at:

Room 420
350 South Main Street
Salt Lake City, Utah

On Monday, 1/24/05 at 1:30 pm

TYPE OF PROCEEDING: To Consider the Motion of the United States to
Enter Consent Decree

MARKUS B. ZIMMER,
Clerk of Court

By: Aaron Paskins
Deputy Clerk

DATE: December 17, 2004

United States District Court
for the
District of Utah
December 17, 2004

* * CERTIFICATE OF SERVICE OF CLERK * *

Re: 2:04-cv-00891

True and correct copies of the attached were either mailed, faxed or e-mailed by the clerk to the following:

John Natalie Moscato, Esq.
US DEPARTMENT OF JUSTICE
ENVIRONMENTAL DEFENSE
999 18TH STREET STE 945
DENVER, CO 80202
EMAIL

Thomas L. Sansonetti, Esq.
ENVIRONMENTAL NATURAL RESOURCES DIVISION
US DEPARTMENT OF JUSTICE
PO BOX 7611
WASHINGTON, DC 20044-7611

Carol Rushin
US ENVIRONMENTAL PROTECTION AGENCY
999 18TH STREET, STE 300
DENVER, CO 80202-2466

Richard R. Schreiber
1629 LOCUST ST
PHILADELPHIA, PA 19103

F. Alan Fletcher
UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY
168 N 1950 W
SALT LAKE CITY, UT 84114-4840



OLENE S. WALKER
Governor
GAYLE F. McKEACHNIE
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

FILE COPY

Page 1 of 1

MODIFICATION of Notice of Violation / Cessation Order

To the following Permittee or Operator:

Name: Tintic Utah Metals, LLC, Attn: Richard Schreiber
Mailing Address: Chief Gold Mines, Inc., 1629 Locust St. Philadelphia, PA 19103-6304
Mine Name: Apex / Burgin Project Permit Number: M/049/009
Utah Mined Land Reclamation Act, Section 40-8-1 et. seq., *Utah Code Annotated (1953)*:
Notice of Violation No. _____ Dated _____,
Cessation Order No: MC-04-01-04(1) Dated October 8, 2004,

Part 1 of 1 is modified as follows: Abatement time extended to January 12, 2005 - maximum time allowed

Reason for modification is: As per request received November 5, 2004.

Part _____ of _____ is modified as follows: _____

Reason for modification is: _____

Date of service/mailing: Nov 5, 2004 Time of service/mailing 3:30 ☐ a.m. ☒ p.m.

Date of inspection: _____

Permittee or Operator Representative _____ Title _____

Signature _____

Lynn Kunzler
Division of Oil, Gas & Mining Representative

Environmental Scientist/Reclamation Biologist
Title

[Signature]
Signature

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**Chief Consolidated Mining Company
c/o 1629 Locust Street
Philadelphia PA 19103**

VIA FACSIMILE and US Mail

November 5, 2004

Mr. Daron Haddock
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple
Suite 1210
Box 145801
Salt Lake City, UT 84114

FILE COPY

Dear Mr. Haddock

As we discussed this morning, I am writing to request a 90 day moratorium on further enforcement actions related to Chief's permits for the various Trixie and Burgin mines. Chief suspended all mining activities in the spring of 2002, and has since been unable to raise new money to restart due to the naming of Chief as a Potentially Responsible Party by the U.S. EPA in regards to the Eureka Superfund Project. Since that time, Chief has had no employees, bank accounts, etc. As the last remaining director, I have acted on an unpaid basis to try to negotiate a settlement with the various regulatory agencies which could lead to a viable company in the future. We have recently entered into a proposed Consent Decree with the Department of Justice which, if approved by the Federal Judge, would define Chief's obligations and limitations in regards to the costs of the cleanup. This Consent Decree started a 30 day publishing and public comment period in the Federal Register on October 15, 2004, so we expect to have a final approval soon. Assuming that the proposed Consent Decree is entered by year end 2004, Chief intends to raise new capital to clean up back payables (specifically including Utah mining license fees) and re-hire the work force to resume mining. If the proposed Consent Decree is not approved, Chief would presumably file for bankruptcy and let the courts sort it all out.

Accordingly, Chief respectfully requests a 90 day extension or moratorium on further fines, by which time we will all know if there is a company and employer worth saving. Please contact me with any further questions.

Sincerely,

Richard R. Schreiber
President